

Memorandum



Date: October 16, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Supplement #2 to
Agenda Item No. 9(A)21a

Subject: Supplement No. 2 to the Recommendation for Approval to Award Contracts No. 545A and 545B and CG-01-07 for the Curbside Recycling Program – Waiving the requirements of Sections 2-8.3 and 2-8.4 of the Miami-Dade County Code Pertaining to Bid Protests

This is the second supplement to Item 2U on the September 11, 2007 Government Operations and Environment Committee (GOE). The first supplement updated the timeframes for implementation of service. This supplement is provided to advise that the option to purchase a total of 340,000 carts included in the contract with Cascade Engineering will be exercised upon Board approval.

In response to additional discussions with staff and members of the GOE committee, 340,000 carts will be distributed per the revised timeline instead of 170,000 carts. The cost to purchase the additional carts is \$7.115 million which equates to an additional \$0.25 per household per month. The additional carts are expected to encourage more participation in the residential recycling program. At either 170,000 carts or 340,000 carts, the total net program cost is less than the current program.

The following addresses several issues raised by Board members:


- It has been stated that collection once-every-other week of a 64-gallon cart could represent a reduction in service from the current once-a-week collection of two, 18-gallon bins. While most households will not exceed the 64-gallon capacity of the new carts, the Department of Solid Waste Management (DSWM) will exchange the cart for a larger 95-gallon cart on an as-needed basis.
- Currently, DSWM provides curbside recycling services to approximately 317,000 households within the DSWM service area and to approximately 23,000 households within 11 municipalities. Currently, once-a-week on a garbage collection day, residents can set out recyclable materials in two, 18-gallon bins (dual-stream) for pickup by a private vendor. In the new program, materials will be collected once-every-other-week on a garbage collection day in a new 64-gallon cart with wheels and a lid (single-stream).
- Due to the bi-weekly service, and as a result of four geographically dispersed transfer sites, fewer recycling trucks will be required. This will result in fewer greenhouse gas emissions and less traffic congestion.
- In addition to the materials currently being collected (paper, metals, plastics, and glass), the following new materials will also be accepted: mixed paper, aseptic containers (gable-top containers such as orange juice or milk cartons), cereal boxes and additional plastics.
- The penalties for missed pickups will be increased from \$25 per household with a \$10,000 maximum to \$100 per household with no maximum.
- The processing vendor has agreed to give DSWM \$525,000 up front for a community education and outreach campaign.

- This residential recycling program will have a net lower cost to County residents:

	Current Service	Proposed Service
Curbside Collection and Materials Processing by Waste Services, Inc. (increasing on October 1, 2007 by the contract rate from \$2.87 to \$2.99)	\$2.99	-----
Payment for County's Share of Recycling Materials (paid to the County)	-\$0.26	-----
Curbside Collection by Waste Services, Inc.	-----	\$2.06
Carts Purchased by the County (annual debt service for 10 years on 340,000 carts)	-----	\$0.50
Materials Processing by Waste Management, Inc. (paid to the County at \$10/ton)	-----	-\$0.09
Outreach Plan by Waste Management, Inc. (paid to the County, one-time \$525,000)	-----	-\$0.02
Total Monthly Cost Per Household	\$2.73	\$2.45

Total Annual Cost	\$11,138,000	\$9,996,000
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- While the competitive process was waived from the outset, it was the County's intention to foster a measure of competition in order to achieve the best solution at the best price. Input was gained through an industry day and a Workshop with the Board of County Commissioners.
- A high-level, professional Selection Committee met multiple times to make the current recommendation. Responses were received from six vendors. One vendor only referenced another vendor's response, and therefore did not require review. Another vendor bid only on materials processing. The four remaining bids were received for both hauling and processing. The Selection Committee reviewed the written recommendations and voted to forward four vendors to oral presentations. After oral presentations, the Selection Committee voted to request further standardized price comparisons from the four vendors on single stream collection, with and without the cost of carts, including weekly and bi-weekly collection, by the entire County and by North and South Zones using four geographically dispersed transfer sites. The Selection Committee reviewed the new pricing and determined that the best option would be to recommend Waste Management, Inc. as the processor and that all collection vendors had proposed substantially equivalent processes. Since Waste Services, Inc. had the best price for this service, it was recommended for collection of recyclable materials. The Selection Committee voted to negotiate with Waste Management, Inc. and Waste Services, Inc. The County also sought existing contracts for purchase of carts to realized future savings.


Assistant County Manager